

Creating Jobs and Growing Our Economy

Thanks to the President's tax relief, our economy has begun to overcome many hurdles and is now moving from recession to recovery.

The economy continues to move ahead. 1.5 million jobs have been created in the last 11 months, home buying and home ownership are at record highs and both consumer and producer confidence remain solid. In the past 12 months alone, Minnesotans have seen their real disposable income increase by 3.3 percent. That means more money that Minnesotans can use to invest in their priorities.

More take home pay for Minnesotans also means more jobs in Minnesota. This critical tax relief has helped Minnesota businesses add almost 23,000 new jobs over the past four months and lowered Minnesota's unemployment rate over the past year from 5.1 percent to 4.4 percent. The future looks even brighter for Minnesota with 30 percent of Minnesota employers expecting to hire more employees-- the strongest in 25 years.



Stopping Tax Increases On Working Moms and Dads

Unfortunately, three key components of the President's tax relief will expire at the end of this

year unless extended by Congress:

- **Child Tax Credit:** The \$1,000 child tax credit will fall to \$700, resulting in higher taxes for 28 million taxpayers.
- **Ten-Percent Income Tax Bracket:** Presently, the first \$7,250 earned by every taxpayer is taxed at 10 percent. If we do nothing and let the President's tax relief expire, only the first \$6,000 earned by a taxpayer will be taxed at 10 percent, while the remaining \$1,250 will be taxed at a higher rate.
- **Marriage Tax Penalty Relief:** For 2004, the standard deduction for joint filers is double the size of the standard deduction for single filers. If this provision is not extended, the standard deduction for joint filers reverts to an amount less than twice the basic standard deduction for single individuals. In addition, the size of the 15 percent rate bracket for married couples filing joint returns will revert to levels less than twice that of the 15 percent tax bracket for single returns.

If Congress allows these three provisions of the President's tax relief to expire, a working family of four with a taxable income of \$58,100 will end up paying \$1,611 more in taxes in 2005. That's a 26 percent tax increase!

Raising taxes is the wrong way to go. Families across the country, including those in Minnesota, have benefited from the tax relief they have received. Please know that I will continue to work to enact a pro-jobs, pro-growth agenda, which includes maintaining the President's tax relief and keeping the faith with working moms and dads.

Helping Small Businesses Meet the Cost of Health Care

To help small businesses meet the high cost of healthcare and improve their bargaining position with insurance providers, I am pleased to report that I am a cosponsor of the Small Business Health Fairness Act of 2003. This bill gives employees of small businesses the health care they deserve by making it easier for small businesses to purchase insurance for their employees. Furthermore, it will reduce the cost of health insurance plans offered in small group markets and will increase the number of workers in small businesses who have access to quality health insurance.

Reigning In an Out-of-Control Legal System on Minnesota's Businesses

Runaway litigation places a crushing burden on American businesses and at the same time fails to properly compensate victims. Without reform, more and more companies will be forced into bankruptcy, and more and more victims will not receive the fair and speedy compensation they deserve. That's why I support the Fairness in Asbestos Injury Resolution, or the FAIR Act, which would establish a fund to compensate asbestos victims and create the financial stability to allow businesses to avoid bankruptcy and to grow and create jobs.

I also support the Class Action Fairness Act, which provides for a process to ensure fast, fair and balanced settlements for legitimate claims, and puts an end to the abuses that make too many of these lawsuits look more like a search

for a jackpot rather than for justice. In addition, I believe we need to pass medical malpractice reform that protects patients' access to quality emergency care and guarantees patients who are injured fair compensation with no limits on lifetime expenses they may incur due to injury. These reforms are necessary if we are to stop the offshoring of American jobs and remain competitive in the world.

Protecting Workers' Pensions

In the wake of September 11 and the slowdown in the economy that began in 2000, many companies in the airline and steel industries are still trying to get back on their economic feet. I was very pleased that we were able to take action and pass a pension relief bill for the airline and steel industries earlier this year. This was an important jobs bill as evidenced by the strong support of business and labor alike.

The bill is a common-sense approach to solving the problem and provided a two-year temporary relief period. In addition, the Senate approved an amendment I wrote to provide the same relief to iron ore companies, like those in Minnesota. This relief will translate into hundreds of millions of dollars each year that companies such as Northwest Airlines, Ispat Inland Mining Company and Cleveland Cliffs, Inc can use to make their businesses more competitive.

Stopping the Offshoring of American Jobs

Like many Americans, I am very concerned about the offshoring of American jobs overseas. When I ran for the U.S. Senate, I ran on creating good paying jobs in Minnesota and all around the United States, and growing our economy and creating jobs here at home remain top priorities

for me. I have joined with several of my Senate colleagues to tackle the issue of offshoring head on and to develop a long-term strategy to promote economic and job growth here at home.

I have successfully offered a bipartisan amendment that would prevent federal, state, and local governments from offering to foreign vendors any contract or agreement to carry out a program for which federal funds are provided. Our government's public policy and programs should only be run in the U.S. That's common sense.

I also introduced legislation that would offer health care, income assistance, and retraining to service sector employees displaced due to unfair trade practices and the offshoring of American jobs. My bill extends Trade Adjustment Assistance (TAA) to service sector workers who today account for 81 percent of non-farm U.S. jobs, but who are now left out in the cold under the current program.

In addition, my bill would ensure that workers are automatically eligible for TAA regardless of what country their jobs move to. Currently, dislocated workers whose jobs moved to Mexico or Canada are automatically covered under TAA, while workers whose jobs move to China or India, for example, are not. While I was disappointed that this bipartisan legislation which I offered did not pass because of a procedural vote, I am pleased we gathered the support of 54 Senators—a solid majority.

UNITED STATES SENATOR NORM COLEMAN

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"America has a choice. It can continue to grow the economy and create new jobs, or it can stall our economic recovery by raising taxes on American families and small businesses. I'm pleased to report that I have worked hard to ensure that Minnesota stays strong and stays competitive."

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